

2013-14 GRANT SOLICITATION

Air Quality Improvement Program (AQIP)

Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project

Mobile Source Control Division
California Air Resources Board
December 20, 2013

California Environmental Protection Agency

 **Air Resources Board**

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Air Quality Improvement Program (AQIP)

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AQIP APPLICATION

Appendix A

**SAMPLE IMPLEMENTATION MANUAL FOR THE
FISCAL YEAR 2013-14 HYBRID AND ZERO-EMISSION TRUCK AND
BUS VOUCHER INCENTIVE PROJECT**

Appendix B

**AIR QUALITY IMPROVEMENT PROGRAM HYBRID AND
ZERO-EMISSION TRUCK AND BUS VOUCHER INCENTIVE PROJECT
SAMPLE GRANT AGREEMENT FOR FISCAL YEAR 2013-14**

Appendix C

I. SUMMARY

The California Air Resources Board (ARB or the Board) is soliciting a Grantee to implement and administer the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). The current funding available for the Fiscal Year (FY) 2013-14 HVIP is \$15 million. HVIP is intended to encourage and accelerate the deployment of new hybrid and zero-emission trucks and buses in California. This project provides vouchers of up to \$55,000 on a first-come, first served basis for the purchase of an eligible new truck or bus. HVIP benefits the citizens of California by providing immediate air pollution emission reductions and stimulating development and deployment of the next generation of hybrid technologies.

This project will be administered and implemented through a partnership between ARB and a Grantee, selected via a competitive solicitation. Applications are due to ARB no later than **5:00 p.m. January 20, 2014**.

II. BACKGROUND

In 2007, Governor Schwarzenegger signed into law the *California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007* (AB 118, Statutes of 2007, Chapter 750). AB 118 created the Air Quality Improvement Program (AQIP), a voluntary incentive program administered by ARB, to fund clean vehicle and equipment projects, air quality research and workforce training.

As required in Health and Safety Code (HSC) Section 44274(a), the Board adopted regulatory guidelines in 2009 for AQIP. The Guidelines for the AB 118 Air Quality Improvement Program (Guidelines)¹ define the overall administrative requirements and policies and procedures for program implementation based on the framework established in statute. Central to the Guidelines is the requirement for a Board-approved annual funding plan developed with public input. The funding plan is each year's blueprint for expending AQIP funds appropriated to ARB in the annual State Budget. The funding plan focuses AQIP on supporting development and deployment of the advanced technologies needed to meet California's longer-term, post 2020 air quality goals.

III. AVAILABLE FUNDING

In July 2013, ARB approved the FY 2013-14 Funding Plan², providing \$5 million in funding for HVIP. In September 2013, the Legislature approved Senate Bill (SB) 359 (Corbett), providing an additional \$10 million for HVIP. The total funding available through this solicitation is \$15 million. Funding is to be broken down as follows:

¹ The Guidelines for the AB 118 Air Quality Improvement Program are available at: www.arb.ca.gov/msprog/aqip/aqip.htm

² The approved Fiscal Year 2013-14 Funding Plan is available at: www.arb.ca.gov/msprog/aqip/aqip.htm

A. Vouchers for eligible new trucks or buses.

B. Administrative costs (administrative costs shall not exceed 6.5 percent).

In the event additional funding is provided for HVIP, these funds will be administered under this solicitation. By signing the AQIP Application in Appendix A, the applicant is agreeing to administer these additional funds as part of HVIP.

IV. ELIGIBILITY

This solicitation is open to individuals, federal, state or local government entities or agencies, and organizations or companies with California heavy-duty vehicle, vehicle incentive project, or air quality expertise. Hybrid truck or bus manufacturers or dealers are not eligible for this solicitation. Specific requirements for the Grantee are described in this solicitation and in the Sample Implementation Manual for the FY 2013-14 HVIP (Sample Implementation Manual) (Appendix B) and the Air Quality Improvement Program (AQIP) HVIP Sample Grant Agreement FY 2013-14 (Sample Grant Agreement)(Appendix C).

Eligible applicants must meet all applicable requirements of State law, the AQIP Guidelines and Funding Plan, and this solicitation. To be considered for the grant award, applicants must fully complete the AQIP Application (Appendix A) and demonstrate that they meet the Required Elements. (See Section IX of this solicitation.) ARB may request clarification regarding application responses during the application review process.

V. SCOPE OF WORK

The Grantee is responsible for the on-the-ground project implementation of distributing rebates for eligible vehicles, including, but not limited to the following tasks:

- A. Update and finalize the Implementation Manual in consultation with ARB throughout the grant term.
- B. Conduct the statewide public outreach to vehicle dealers and fleets necessary for the project to be successful. Outreach could include on-site dealer trainings and public question and answer sessions.
- C. Develop/maintain a user-friendly public webpage to include, at a minimum:
 - 1. A list of eligible vehicles and each vehicle's eligible voucher amount.
 - 2. Voucher request and voucher redemption forms.
 - 3. Ability to track HVIP funds, both available and expended, in real time.

4. Ability to provide information on HVIP vouchers based upon query parameters such as vehicle type, location, and vocation.
 5. Ability to provide a visual representation of where vouchers are being requested and/or disbursed with a mapping tool.
- D. Train and approve vehicle dealers for participation in HVIP based upon eligibility criteria identified in the Implementation Manual.
 - E. Ensure participating vehicle dealers, purchasers and lessees meet all applicable HVIP requirements.
 - F. Use the criteria in the Implementation Manual to review and approve voucher requests.
 - G. Distribute voucher payments to vehicle dealers for eligible vehicle purchases.
 - H. Track reservation and expenditure of HVIP grant funding.
 - I. Closely communicate with ARB to ensure that the most current vehicle eligibility list is being used.
 - J. Respond to public inquiries regarding HVIP.
 - K. Work with vehicle manufacturers to create a list of dealerships authorized to receive HVIP vouchers.
 - L. Provide ARB with a Final Report that summarizes and evaluates total fund expenditures (including match, interest earned, and in-kind funds), vehicles funded, outreach efforts, and implementation challenges per source of funding and recommends potential program improvements. (See Section G(2) of the Sample Grant Agreement).
 - M. Provide Status Reports to the ARB detailing vouchers awarded for ordered vehicles and redeemed for purchased vehicles. (See Section G(1) of the Sample Grant Agreement).
 - N. Provide ARB a mechanism for receiving three years of annual activity reports from vehicle purchasers.
 - O. Provide ARB with all webpage(s), databases, software or other intellectual property developed or purchased by the Grantee for the purposes of administering or implementing HVIP, if requested. (See Section J of the Sample Grant Agreement).

- P. Ensure that it and its subcontractors meet all applicable requirements of statute, the AQIP Guidelines and Funding Plan, ARB's HVIP solicitation, the Grant Agreement with ARB, and the Implementation Manual.

See Sample Grant Agreement (Appendix C) for a more complete description of the duties and responsibilities of the Grantee and ARB.

VI. DEFINITIONS

HVIP definitions are included in Section G of the Sample Implementation Manual (Appendix B).

VII. APPLICATION INSTRUCTIONS

This application packet contains the forms and information necessary for submittal of a complete application. ARB will select a Grantee in compliance with the AQIP Guidelines and applicable State law. The Grantee selection will be based upon the scoring criteria identified in this solicitation.

If you need this document in an alternate format or language, please contact Graciela Garcia at (916) 323-2781 or ggarcia@arb.ca.gov. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

One (1) signed original, four (4) copies, and one (1) CD of the application, including all the required documents must be received at the Air Resources Board headquarters at 1001 I Street, Sacramento, California 95812.

Applications submitted by U.S. Postal Service mail must be postmarked no later than **January 20, 2014**. Items delivered by UPS, Express Mail, Federal Express or another delivery service provider (other than U.S. Postal Service) must be received by the delivery service provider no later than **5:00 p.m. on January 20, 2014** (delivery service provider tracking number may be used to verify date of receipt). Applications must be mailed to the following address:

Graciela Garcia
Air Resources Board
Mobile Source Control Division
1001 I Street, Post Office Box 2815
Sacramento, California 95812

Please send an email to Graciela Garcia at ggarcia@arb.ca.gov indicating that you have submitted an application once the application has been mailed. Sending this email secures one of the ten points provided for Application Completeness and lets ARB staff know that your formal application is on the way. ARB will send a confirmation email to the applicant once the hard-copy of the application has been received.

No applications may be submitted by fax or email.

Format Requirements

ARB strongly encourages applications to be accurate, brief and clear. Applications will be initially screened for completeness. Applications must include all the Required Elements identified in Section IX of this solicitation.

Fiscal Year 2013-14 HVIP Solicitation Timeline*

<u>Key Actions</u>	<u>Dates</u>	<u>Time</u>
Public Release of Solicitation	12/20/13	N/A
Applicant Question Deadline	01/07/14	No later than 5:00 p.m.
Applicant Teleconference	01/08/14	11:00 a.m.
Application Deadline	01/20/14	No later than 5:00 p.m.
Review/Rating of Applications	01/21/14 – 01/27/14	N/A
Grantee Selected	01/28/14	N/A
Return Signed Grant to ARB	Within 10 calendar days of receipt	

* Timelines are subject to change at ARB's sole discretion.

VIII. APPLICANT TELECONFERENCE

ARB will hold an Applicant Teleconference at which time staff will be available to answer questions potential applicants may have regarding eligibility, application completion, and other requirements. The Applicant Teleconference will take place on:

Date: January 8, 2014

Time: 11:00 a.m. – 12:30 (PST)

Teleconference Information:

Call-in Phone Number: (888) 790-3150

Passcode: 43030

The Applicant Teleconference will be open to all interested entities. The intent of the Applicant Teleconference is to provide potential project applicants with an opportunity to ask clarifying questions regarding general application or applicant requirements or terminology definitions. Written questions submitted before the Applicant Teleconference will be given priority. Questions may be emailed to Mr. Joe Calavita at jcalavit@arb.ca.gov. Questions may be submitted up to 5 p.m. one day prior to the Applicant Teleconference. The questions and answers from the Applicant Teleconference and any questions received via email will be posted on the ARB website no later than **5 p.m. on January 15, 2014**; this date may be extended at ARB's sole discretion. ARB will not answer questions regarding this solicitation after the Applicant Teleconference. Any verbal communication with an ARB employee concerning this solicitation is not binding on the State and shall in no way alter a specification, term or condition of the solicitation.

IX. REQUIRED ELEMENTS

The application is included as Appendix A of this solicitation, and includes the following required elements:

Appendix A: AQIP Application

Attachment 1: Applicant Qualifications

Attachment 2: Proposed Budget

Attachment 3: Project Implementation Plan

Attachment 4: Applicant Resources to Implement the Project

Attachment 5: Conflict of Interest Declaration

Attachment 6: STD. 204 Payee Data Record

X. EVALUATION AND SCORING

ARB will evaluate each application based on the criteria described below. The maximum score is 100 points. The qualified applicant with the highest overall score will be selected as the Grantee. The selected applicant will be required to sign a Grant Agreement with ARB to fulfill the duties of Grantee. (See Appendix C.) ARB reserves the right, in its sole discretion, to cancel this solicitation, re-solicit for a HVIP Grantee, or to direct funding to another project in the Funding Plan.

A. Applicant Qualifications (Appendix A, Attachment 1) – Maximum 25 points

Up to 25 points will be provided based upon the applicant's ability to successfully act as Grantee based upon its experience/expertise in and history of successfully working with hybrid and zero-emission truck and bus manufacturers, dealers, fleets, and other stakeholders and implementing projects similar to HVIP, as well as the Grantee's ability to build upon the existing successful HVIP in a way which is user-friendly and seamless for hybrid and zero-emission vehicle manufacturers, dealers, and fleets.

Application Characteristics	Points Earned
Applicant lacks necessary experience or expertise successfully implementing large scale air quality incentive projects or programs and working with hybrid and zero-emission truck and bus manufacturers, dealers, fleets, and other key project stakeholders.	0 – 5 points
Applicant has demonstrated moderate expertise and experience needed to successfully implement HVIP, based on its history implementing large scale air quality incentive projects or programs and working with hybrid and zero-emission truck and bus manufacturers, dealers, fleets, and other key project stakeholders.	6 – 15 points
Applicant clearly has the expertise and experience needed to successfully implement HVIP, based on its history implementing large scale air quality incentive projects or programs and working with hybrid and zero-emission truck and bus manufacturers, dealers, fleets, and other key project stakeholders.	16 – 25 points

B. Proposed Budget (Appendix A, Attachment 2) – Maximum 20 points

Applicants must identify their proposed budget for completing the tasks of HVIP Grantee, consistent with the Sample Implementation Manual and Sample Grant Agreement, for the FY 2013-14 HVIP, their Project Implementation Plan (included as part of the application) and the requirements of this solicitation. The budget must include the total administrative funds requested and describe any applicable commitments for in-kind services and match funding.

In-kind services refer to goods or services contributed by the Grantee but not charged to HVIP which help to more effectively and efficiently meet the goals of the project. Match funding refers to funds contributed by the Grantee to HVIP to fund eligible vehicles. An applicant may propose that match funding be used to fund vehicles as part of HVIP in a specific California region only (such as an air basin). Match funding does not include in-kind match. See Appendix A, Attachment 2-1 for a sample budget.

Application Characteristics	Points Earned
<p>Budget is unclear, inconsistent with the Sample Implementation Manual, the applicant's Project Implementation Plan, and the requirements of this solicitation, or is insufficient to successfully complete the project. No or limited match funding or no or limited in-kind support is committed and the applicant is requesting the maximum allowable funding for HVIP administration and outreach.</p>	<p>0 – 7 points</p>
<p>Budget is relatively clear, detailed, consistent with the Sample Implementation Manual, the applicant's Project Implementation Plan, and the requirements of this solicitation, and is adequate to complete the project. Costs are represented clearly. Applicant commits to provide match funding or forgo HVIP administration and outreach funding (in match or potential administration and outreach funding) to be used for eligible vehicles. The applicant's commitment for in-kind support will enable the project to be marginally more effective and efficient.</p>	<p>8 - 15 points</p>
<p>Budget is very clear, detailed, consistent with the Sample Implementation Manual, the applicant's Project Implementation Plan, and the requirements of this solicitation, and is adequate to complete the project. Costs are represented clearly, and are appropriate for the level and quality of work to be performed. Applicant commits to provide match funding or forgo HVIP administration and outreach funding, providing a total of over \$1,000,000 (in match or potential administration and outreach funding) to be used for eligible vehicles. The applicant's commitment for in-kind support will enable the project to be significantly more effective and efficient.</p>	<p>16 - 20 points</p>

C. Project Implementation Plan (Appendix A, Attachment 3) – Maximum 20 points

Applicants will be evaluated based on the completeness of their plan for implementing HVIP, and the ability to complete the work in a timely manner. The Project Implementation Plan must address how the applicant will implement all of the tasks in the Scope of Work. (See Section V of this solicitation.)

Application Characteristics	Points Earned
Plan is unclear and/or does not provide the highest impact for the funding provided.	0 – 7 points
Plan is complete, provides sound recommendations for effective and efficient project development, implementation, and administration, and considers the budget.	8 – 15 points
Plan is sound and well organized, tailors recommendations creatively and appropriately to successfully implement the project, provides recommendations for effective and efficient project development, implementation, and administration, and recommends high-impact, creative activities that maximize the budget, and effective recommendations to increase voucher demand and increase participation by public fleets. Plan also includes a firm commitment or detailed and viable plan to successfully leverage other public or private funding (such as federal or air district funds) to help accelerate deployment of project vehicles.	16 – 20 points

D. Applicant Resources to Implement the Project (Appendix A, Attachment 4) – Maximum 15 points

Scoring will be based upon the applicant's ability to successfully act as Grantee based upon their demonstrable staffing, infrastructure, funding, and other available resources.

Application Characteristics	Points Earned
The applicant has not demonstrated sufficient resources to successfully implement the project.	0 points
The applicant has demonstrated the minimum resources needed to implement the project.	1 – 7 points
The applicant has clearly demonstrated sufficient staff, expertise, infrastructure and/or funding resources to successfully implement the project.	8 – 15 points

E. Ability to Promote Use of Hybrid and Zero-Emission Vehicle Technology – Maximum 5 points

Application Characteristics	Points Earned
The applicant has a clear and effective plan for public outreach (as identified in the Project Implementation Plan) to key stakeholders such as dealers, public fleets, small fleets, school districts, and/or vehicle rental firms.	0 – 5 points

F. Contribution to Regional Air Quality Improvements – Maximum 5 points

Application Characteristics	Points Earned
The applicant has a plan for and the ability to target outreach in areas which are classified as extreme non-attainment of the federal 8-hour ozone standard (i.e. the South Coast and San Joaquin Valley Air Basins).	0 – 5 points

G. Application Completeness – Maximum 10 points*

Application Characteristics	Points Earned
The application is unclear or is missing key information.	0 – 5 points
The application is clear, concise, and includes all the required information.	6 – 10 points

*One point is provided for sending ARB an email notification of a submitted application, as described in Section VII, Application Instructions.